

CITY OF MORLAND

Financial Statement

For the Year Ended December 31, 2017

ATC Accounting

City of Morland, Kansas
Financial Statement
For the Year Ended December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Morland
Morland, Kansas 67650

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Morland, Kansas, as of and for the year ended December 31, 2017 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Morland, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Morland, Kansas as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Morland, Kansas as of December 31, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2017 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2017 basic financial statement, however are required to be presented under the provision of the Kansas Municipal audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2016 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2016 basic financial statement upon which we rendered as unqualified opinion dated September 15, 2017. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole, on the basis of accounting described in Note 1.

ATC Accounting

ATC Accounting

October 12, 2018

City of Morland, Kansas
Summary Statement of Receipts, Expenditures and Encumbered Cash
Regulatory Basis
For the Year Ended December 31, 2017

Funds	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances And Accounts Payable	Ending Cash Balance
GENERAL	\$ 43,884	\$ 70,325	\$ 63,644	\$ 50,565	\$ 2,502	\$ 53,067
SPECIAL PURPOSE FUNDS:						
Special Highway	1,555	4,079	-	5,634	-	5,634
BOND AND INTEREST:						
Bond and Interest	4,828	14,777	14,549	5,056	-	5,056
CAPITAL PROJECT FUNDS:						
Capital Improvements	-	-	-	-	-	-
Equipment	29,713	6,500	-	36,213	-	36,213
Water Reserve	36,576	2,400	-	38,976	-	38,976
Sewer Reserve	23,571	2,400	3,211	22,760	-	22,760
Gas Reserve	36,440	2,400	-	38,840	-	38,840
Gas Surplus	-	-	-	-	-	-
BUSINESS FUNDS:						
Water Utility	83,772	37,526	18,056	103,242	1,310	104,552
Sewer Utility	25,822	17,687	7,416	36,093	-	36,093
Gas Utility	30,327	89,538	83,919	35,946	6,498	42,444
AGENCY FUNDS:						
Utility Deposits	7,220	1,000	2,747	5,473	-	5,473
Total Reporting Entity	\$ 323,708	\$ 248,632	\$ 193,542	\$ 378,798	\$ 10,310	\$ 389,108

Cash on Hand	\$ 50
NOW Account	281,224
Money Market Account	107,834

Total Reporting Entity	<u>\$ 389,108</u>
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The notes to the financial statement are an integral part of this statement

City of Morland, Kansas
Notes to the Financial Statement
December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of Morland is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Morland (the municipality).

(b) Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a©, waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted from the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of the budget for the succeeding calendar year on or before August 1st
- 2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year 2017.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City is not aware of any noncompliance with Kansas Statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining county if such an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the City's carrying amount of deposits was \$389,058 and the bank balance was \$387,377. The bank balance was held by 1 bank resulting in a concentration of credit risk. Of the bank balance \$250,000 was covered by federal depository insurance and the remaining \$137,377 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. LONG-TERM DEBT

Changes in long-term liabilities for the City of Morland, Kansas for the year ended December 31, 2017 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds Series 2011	4.00%	4/27/2011	118,000	4/27/2021	\$ 64,790	\$ -	\$ 11,957	\$ 52,833	\$ 2,592
Total Long-Term Debt					\$ 64,790	\$ -	\$ 11,957	\$ 52,833	\$ 2,592

Current maturities of long-term debt and interest through maturity are as follows:

	2018	2018	2019	2020	Total
Principal					
General Obligation Bonds	\$ 12,435	\$ 12,932	\$ 13,447	\$ 14,019	\$ 52,833
Interest:					
General Obligation Bonds	\$ 2,113	\$ 1,616	\$ 1,099	\$ 561	\$ 5,389
Total Principal and Interest	\$ 14,548	\$ 14,548	\$ 14,546	\$ 14,580	\$ 58,222

5. DEFINED BENEFIT PENSION PLAN

The City does not participate in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Compensated Absences

Vacation – A full-time employee may accrue vacation at the rate of 1 and ½ days per month worked. Vacation is not vested, and upon termination no payment for unused vacation will be made. The cost of accumulated vacation pay has not been estimated or accrued by the City as of December 31, 2017 since no liability to pay upon termination.

There is no cost of accumulated vacation since the City does not pay out accrued vacation to terminating employees.

Sick Leave - A full-time employee may accrue sick leave at the rate of ½ day per month with a maximum accumulation of 6 days. Upon termination or resignation, no payment for unused sick leave will be made. The cost of accumulated sick pay has not been estimated or accrued by the City as of December 31, 2017 since no liability to pay upon termination.

7. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2016 to 2017 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

8. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
Water Utility	Water Reserve	K.S.A. 12-825d	2,400
Sewer Utility	Sewer Reserve	K.S.A. 12-825d	2,400
Gas Utility	Gas Reserve	K.S.A. 12-825d	2,400
General	Equipment	K.S.A. 12-1,117	6,500
General	Bond and Interest	K.S.A. 12-825d	1,500

9. RELATED PARTY TRANSACTIONS

Jim Dinkel, City Mayor, is the owner of Dinkel Repair, an auto repair business in Morland. The City conducted business with Dinkel Repair in 2017 and paid them \$3,598 for services or products.

10. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued.

CITY OF MORLAND, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017

DRAFT

City of Morland, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2017

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 103,424	\$ -	\$ 103,424	\$ 63,644	\$ (39,780)
SPECIAL PURPOSE FUNDS:					
Special Highway	14,462	-	14,462	-	(14,462)
BOND AND INTEREST:					
Bond and Interest	17,559	-	17,559	14,549	(3,010)
BUSINESS FUNDS:					
Water Utility	135,560	-	135,560	18,056	(117,504)
Sewer Utility	49,147	-	49,147	7,416	(41,731)
Gas Utility	191,023	-	191,023	83,919	(107,104)

City of Morland, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	2016	2017		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Ad Valorem Property	\$ 39,894	\$ 39,767	\$ 42,163	\$ (2,396)
Delinquent	1,209	705	-	705
Motor Vehicle	6,853	6,547	5,186	1,361
Recreational Vehicle	129	95	81	14
16/20M Truck	163	72	311	(239)
Commercial Truck	1,181	992	650	342
State of Kansas – Sales Tax	11,245	10,238	18,000	(7,762)
Interest on Idle Funds	346	449	300	149
Utility Franchise Fees	5,313	5,038	6,000	(962)
Licenses, Fees and Permits	180	150	200	(50)
Reimbursements	-	-	-	-
Miscellaneous	2,714	6,272	-	6,272
Transfer from Gas	7,500	-	-	-
Transfer from Water	20,000	-	-	-
Total Receipts	96,727	70,325	\$ 72,891	\$ (2,566)
Expenditures:				
Personal Services	6,006	7,553	\$ 10,000	\$ (2,447)
Contractual Services	8,381	6,268	30,000	(23,732)
Commodities	37,030	41,464	35,000	6,464
Capital Outlay	37,867	359	18,924	(18,565)
Sales Tax	-	-	3,000	(3,000)
Transfer to Bond and Interest	621	1,500	-	1,500
Transfer to Equipment Fund	6,500	6,500	6,500	-
Total Expenditures	96,405	63,644	\$ 103,424	\$ (39,780)
Receipts Over (Under) Expenditures	322	6,681		
Unencumbered Cash, January 1	43,562	43,884		
Unencumbered Cash, December 31	\$ 43,884	\$ 50,565		

City of Morland, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	2016	2017		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Special Highway Tax	\$ 4,073	\$ 4,079	\$ 3,970	\$ 109
Expenditures:				
Street Repair and Maintenance	9,000	-	\$ 14,462	\$ (14,462)
Receipts Over (Under) Expenditures	(4,927)	4,079		
Unencumbered Cash, January 1	6,482	1,555		
Unencumbered Cash, December 31	\$ 1,555	\$ 5,634		

City of Morland, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	2016	2017		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Ad Valorem Property	\$ 9,837	\$ 11,217	\$ 11,893	\$ (676)
Delinquent	239	161	-	161
Motor Vehicle	1,446	1,614	1,279	335
Recreational Vehicle	29	23	20	3
16/20M Truck	15	17	77	(60)
Commercial Vehicle	110	245	160	85
Transfer from General	621	1,500	-	1,500
Total Receipts	12,297	14,777	\$ 13,429	\$ 1,348
Expenditures:				
Principal	11,489	11,957	\$ 11,957	\$ -
Interest	3,051	2,592	2,592	-
Commission and Postage	-	-	10	(10)
Cash Basis Reserve	-	-	3,000	(3,000)
Total Expenditures	14,540	14,549	\$ 17,559	\$ (3,010)
Receipts Over (Under) Expenditures	(2,243)	228		
Unencumbered Cash, January 1	7,071	4,828		
Unencumbered Cash, December 31	\$ 4,828	\$ 5,056		

City of Morland, Kansas
 Capital Improvements Fund
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended December 31, 2017

	2016 Actual	2017 Actual
Receipts:		
CDBG Funds	\$ -	\$ -
Bond Proceeds	-	-
Graham County Economic Development	-	-
	<hr/>	<hr/>
Total Receipts	-	-
	<hr/>	<hr/>
Expenditures:		
Capital Improvements	-	-
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	-	-
	<hr/>	<hr/>
Unencumbered Cash, January 1	-	-
	<hr/>	<hr/>
Unencumbered Cash, December 31	<u>\$ -</u>	<u>\$ -</u>

City of Morland, Kansas
Equipment Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2017

	2016 Actual	2017 Actual
Receipts:		
Transfer from General Fund	\$ 6,500	\$ 6,500
Sale of Assets	-	-
	<hr/>	<hr/>
Total Receipts	6,500	6,500
	<hr/>	<hr/>
Expenditures:		
Capital Improvements	1,500	-
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	5,000	6,500
	<hr/>	<hr/>
Unencumbered Cash, January 1	24,713	29,713
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 29,713	\$ 36,213
	<hr/>	<hr/>

City of Morland, Kansas
Non-Budgeted Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2017

	2016 Water Reserve Actual	2017 Water Reserve Actual	2016 Sewer Reserve Actual	2017 Sewer Reserve Actual
Receipts:				
Transfer from Water Utility Fund	\$ 2,400	\$ 2,400	\$ -	\$ -
Transfer from Sewer Utility Fund			2,400	2,400
Expenditures:				
Capital Outlay	-	-	4,725	3,211
Receipts Over (Under) Expenditures	2,400	2,400	(2,325)	(811)
Unencumbered Cash, January 1	34,176	36,576	25,896	23,571
Unencumbered Cash, December 31	\$ 36,576	\$ 38,976	\$ 23,571	\$ 22,760

City of Morland, Kansas
Non-Budgeted Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2017

	2016 Gas Reserve Actual	2017 Gas Reserve Actual	2016 Gas Surplus Actual	2017 Gas Surplus Actual
Receipts:				
Transfer from Gas Line Utility	\$ 2,400	\$ 2,400	\$ -	\$ -
Transfer from Gas Surplus	-	-	-	-
	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>-</u>
Expenditures:				
Transfer to Gas Reserve	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	-	-	-	-
Receipts Over (Under) Expenditures	2,400	2,400	-	-
Unencumbered Cash, January 1	<u>34,040</u>	<u>36,440</u>	<u>-</u>	<u>-</u>
Unencumbered Cash, December 31	<u>\$ 36,440</u>	<u>\$ 38,840</u>	<u>\$ -</u>	<u>\$ -</u>

City of Morland, Kansas
Water Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	2016	2017		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Water Sales	\$ 39,250	\$ 37,126	\$ 50,000	\$ (12,874)
Reimbursements	114	400	-	400
Total Receipts	<u>39,364</u>	<u>37,526</u>	<u>\$ 50,000</u>	<u>\$ (12,474)</u>
Expenditures:				
Personal Services	13,643	10,676	\$ 20,000	\$ (9,324)
Contractual Services	2,513	558	10,000	(9,442)
Commodities	6,584	4,422	10,000	(5,578)
Capital Outlay	412	-	93,160	(93,160)
Transfer to Water Reserve Fund	2,400	2,400	2,400	-
Transfer to General Fund	7,500	-	-	-
Total Expenditures	<u>33,052</u>	<u>18,056</u>	<u>\$ 135,560</u>	<u>\$ (117,504)</u>
Receipts Over (Under) Expenditures	6,312	19,470		
Unencumbered Cash, January 1	<u>77,460</u>	<u>83,772</u>		
Unencumbered Cash, December 31	<u>\$ 83,772</u>	<u>\$ 103,242</u>		

City of Morland, Kansas
Sewer Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	2016	2017		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 17,627	\$ 17,687	\$ 20,000	\$ (2,313)
Reimbursements	-	-	-	-
Total Receipts	17,627	17,687	\$ 20,000	\$ (2,313)
Expenditures:				
Personal Services	4,548	3,559	\$ 15,000	\$ (11,441)
Contractual Services	-	-	-	-
Commodities	1,168	1,457	31,747	(30,290)
Transfer to Sewer Reserve Fund	2,400	2,400	2,400	-
Total Expenditures	8,116	7,416	\$ 49,147	\$ (41,731)
Receipts Over (Under) Expenditures	9,511	10,271		
Unencumbered Cash, January 1	16,311	25,822		
Unencumbered Cash, December 31	\$ 25,822	\$ 36,093		

City of Morland, Kanss
Gas Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	2016	2017		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 86,366	\$ 89,538	\$ 120,000	\$ (30,462)
Miscellaneous	-	-	-	-
Total Receipts	86,366	89,538	\$ 120,000	\$ (30,462)
Expenditures:				
Personal Services	49,489	44,774	\$ 50,000	\$ (5,226)
Contractual Services	589	1,399	10,000	(8,601)
Commodities	3,001	4,503	10,000	(5,497)
Capital Outlay	-	-	46,223	(46,223)
Purchased Gas	28,841	30,843	70,000	(39,157)
Transfer to Gas Reserve Fund	2,400	2,400	4,800	(2,400)
Transfer to General Fund	20,000	-	-	-
Total Expenditures	104,320	83,919	\$ 191,023	\$ (107,104)
Receipts Over (Under) Expenditures	(17,954)	5,619		
Unencumbered Cash, January 1	48,281	30,327		
Unencumbered Cash, December 31	\$ 30,327	\$ 35,946		

City of Morland, Kansas
 Utility Deposit Fund
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended December 31, 2017

	2016	2017
	Actual	Actual
Receipts:		
Utility Deposits	\$ 1,700	\$ 1,000
Total Receipts	<u>1,700</u>	<u>1,000</u>
Expenditures:		
Refund of Utility Deposits	1,020	2,747
Interest	-	-
Total Expenditures	<u>1,020</u>	<u>2,747</u>
Receipts Over (Under) Expenditures	680	(1,747)
Unencumbered Cash, January 1	<u>6,540</u>	<u>7,220</u>
Unencumbered Cash, December 31	<u>\$ 7,220</u>	<u>\$ 5,473</u>